

# M e m o r a n d u m

To: Panel Members

Date: September 22, 2006

From: Dolores Kendrick, Manager

Analyst: M. Tolentino

Subject: One-Step Agreement for **RIVIERA, INC. DBA THE ENTERPRISE U**

## **CONTRACTOR:**

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: Companies W/Out-Of-State Competition
- Legislative Priorities: Promotion of California's Manufacturing Workforce Moving To A High Performance Workplace Potentially Displaced Workeres
- Type of Industry: Various Industries
- Repeat Contractor: Yes
- ETP Trainees Represented by Union: No
- Name and Local Number of Union Representing ETP Trainees: None Of The Core Group Of Employers Is Represented By A Collective Bargaining Agreement.

## **CONTRACT:**

- Program Costs: \$282,080
- Substantial Contribution: \$0
- Multiple Employer Support (8%) \$19,520
- Total ETP Funding: \$301,600
- Total In-kind Contribution: \$360,600
  - *Trainee Wages Paid During Training:* \$285,600
  - *Other Contributions:* \$75,000
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Statewide
- Location of Training: 0% Center Based; 100% Employer Site

## **INTRODUCTION:**

This will be the seventh Agreement between Riviera, Inc. dba The Enterprise U (The Enterprise U) formerly known as Reisgen, Inc. dba Contracted Computer Training Learning Solutions and the Employment Training Panel (ETP). The Enterprise U is a for-profit corporation and is eligible to contract with ETP under California Unemployment Insurance Code 10205(c)(2) as a training agency.

Participating employers qualify under Title 22 California Code of Regulations, Section 4416(a)(b)(c) and (d) as manufacturers and other companies facing out-of-state competition. The Enterprise U is requesting ETP funds to assist participating employers in upgrading the skills of their employees to increase productivity, respond to customer demands, and improve the employment security of California employees.

## **MEETING ETP GOALS AND OBJECTIVES:**

The Enterprise U proposes training that will further the following ETP goals and objectives:

- 1) To foster job retention in industries threatened by out-of-state competition.
- 2) To develop frontline workers with skills that prepare them for the high performance workplace of the future.
- 3) Increase the skills of individuals that could potentially be displaced.

**TRAINING PLAN TABLE:**

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/Lab Videocnf. Hrs.	No. CBT Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
Job Numbers 1, 4 & 6 Retrainee	MENU: Business Skills, Computer Skills, Continuous Improvement	330	24 - 40	0	\$513	*\$12.90 - \$70.00
Job Numbers 2, 5 & 7 Retrainee (Priority Industry)	MENU: Business Skills, Computer Skills, Continuous Improvement	170	24 - 40	0	\$616	*\$11.83 - \$70.00
Job Numbers 3 & 8 Retrainee (<100)	MENU: Business Skills, Computer Skills, Continuous Improvement	70	24 - 40	0	\$753	*\$11.83 - \$70.00
<b>Wages After 90-Day Retention</b>						
<b><u>Occupation</u></b>						
Accounting Staff Administration and Operations Staff Engineering Staff Information Technology Manager Marketing and Sales Staff Production Staff Project Coordinator						
<b><u>Health Benefits Used To Meet ETP Minimum Wage:</u></b> *Health benefits may be added to the base wage in order to meet the ETP minimum hourly wage of \$12.90 for Alameda, Contra Costa, Los Angeles, Marin, San Francisco, San Mateo and Santa Clara Counties; \$12.55 for Sacramento County; \$12.31 for San Diego County; \$12.37 for Ventura County; and \$11.83 for all other counties.					<b><u>Turnover Rate</u></b> 20% or less	<b><u>% Of Mgrs &amp; Supervisors To Be Trained:</u></b> 20%
<b><u>Other Employee Benefits:</u></b> Other employee benefits vary among participating employers.						

### **COMMENTS / ISSUES:**

#### **➤ *Frontline Workers***

The Enterprise U will continue to provide training primarily to serve workers who meet the Panel definition of frontline workers under Title 22, California Code of Regulations, Section 4400(ee). No more than twenty percent of the trainees from any participating employers will be managers or supervisors.

All participants in this project meet the Panel definition of frontline workers under Title 22 California Code of Regulations, Section 4400(ee).

#### **➤ *Production During Training***

The proposed Contractor agrees that during ETP-funded training hours, trainees will not produce products or provide services which will ultimately be sold.

### **RECOMMENDATION:**

Staff recommends that the Panel approve this Agreement based on The Enterprise U's stated need to upgrade employee skills to increase productivity, improve employment security of employees and enhance the participating companies' ability to increase revenue and market share and ensure a continuing relationship with their customers.

### **NARRATIVE:**

Riviera Inc. dba The Enterprise U is a private, post-secondary school approved by the State of California Bureau for Private Postsecondary and Vocational Education (BPPVE). The school was founded in 1984 as Contracted Computer Training Learning Solutions. The applicant's customers range from private companies in the manufacturing, entertainment, financial services, technology, utilities, and healthcare industry.

The Enterprise U's representative state that results of their marketing efforts, which includes meetings held with participating employers in the entertainment and service industry, indicate that employee training is necessary to increase revenue and market share. Some employers have workers in danger of losing their jobs because of changing requirements in skill levels due to technological advancements. Other employers are diversifying products or services, requiring workers to learn how to operate new equipment or different tools; and others are striving to become a high performance workplace. Employees' business skills, computer skills and continuous improvement knowledge need to be enhanced.

**Business Skills** training will provide employees with the skills necessary to improve communication skills, customer service delivery, presentation skills and enable employees to effectively manage multiple projects.

**NARRATIVE:** (continued)

**Computer Skills** training will increase employees' skill levels so they can fully utilize applications and become more effective in creating documents, spreadsheets, presentations, databases, etc. To improve participating employers systems solutions, employees must be trained in networking and computer troubleshooting.

**Continuous Improvement** training will increase team effectiveness and cohesion within the company and teach workers on how to identify and implement workplace improvements that will help increase sales and increase overall competitiveness.

***Employer Demand***

Panel policy requires that multiple employer contractors provide evidence of employer demand for training. The Enterprise U markets to various industries. Marketing efforts include targeted telemarketing, mailers, and industry events. The applicant participates in education industry trade shows such as ASTD as well as industry-specific trade shows such as E3 (Electronic Entertainment Expo) and Siggraph and attends economic seminars held by local groups (SBA, Valley Economic Development Center, etc.) that forecast upcoming trends in various industries.

The Enterprise U's relationship with its clients is very consultative instead of directive. Representatives indicate that staff asks clients what they need instead of telling them what they can offer. The training curriculum is customized for each client based on their specific business goals, employee population, and skill needs. Each curriculum is approved by the participating employer's human resources management, department head as well as the executive staff, if necessary.

The Enterprise U uses an extensive array of surveys (both paper-based and on-line) to ensure continuous student and employer feedback on the effectiveness of training and to determine demand and interest in future training courses.

***Commitment to Training***

The Enterprise U's representatives state that ETP funding will not displace the employer resources for training. Majority of the company-funded training consists of orientation, safety, and job-specific skills normally conducted as on-the-job training and occasional training through seminars offered outside the companies. The proposed ETP training will consist of a variety of topics that are totally new to many of the participating employers. Lacking internal resources and budgets, much of this training would not be offered to workers in the absence of ETP funding.

**SUBCONTRACTORS:**

None.

### **THIRD PARTY SERVICES:**

The applicant states that no third party services were used in the development of the ETP Application.

### **PRIOR PROJECTS:**

The following are completed project statistics for ETP Agreements with this Contractor within the last five years:

PRIOR PROJECTS						
Agreement Number	Location (City)	Term	Contract Amount	Amount Earned	Planned In-kind Contribution	Reported In-kind Contribution
ET01-0208	Marina del Rey, Glendale	12/31/00–12/30/02	\$353,842	\$296,836 (84%)	\$392,000	\$341,040
*ET02-0294	Glendale	4/15/02 – 4/14/04	\$448,871	\$64,650 (14%)	\$522,000	\$254,800
ET05-0126	Burbank	07/01/04 - 06/30/06	\$311,847	\$310,735 (99%)	\$655,000	\$295,099

*\*ET02-0294: According to the Contractor, the 17% trainee completion rate was due to several factors: 1) health issues involving The Enterprise U's executive staff which precluded active marketing of the ETP training program for several month.*

### **ACTIVE PROJECTS:**

The following are current project statistics:

ACTIVE PROJECTS						
Agreement Number	Agreement Amount	Term	Planned Number To Be Retained	Number Enrolled	Number Completed Training	Number Retained For 90 Days
ET06-0113	\$369,023	7/6/05 – 7/5/07	540	453 (84%)	432 (80%)	339 (63%)

*The Enterprise U expects to complete 452 trainees (84%) completing retention by the end of 2006.*

**RIVIERA, INC. DBA THE ENTERPRISE U**

Menu Curriculum

Class Lab Hours

24 - 40      Trainees will receive any of the following:

**BUSINESS SKILLS**

Customer Service Skills

- Dealing with difficult customers
- Accountability

Meeting Skills

- Managing meetings
- Being a productive participant
- Providing feedback

Presentation Skills

- Public speaking skills
- Techniques for vocal and visual impact
- Answering questions with ease and confidence

Effective Communication Skills

- Determining who is your audience
- Effective writing and speaking skills
- Dealing with different types of people
- Negotiation techniques
- Interpersonal skills

Time Management/Managing Productivity

- What is time management?
- Assessing time wasters and habits that decrease productivity
- Making the most of your best resources

Improving Sales Performance

- Sales vs. Marketing
- Sales calls
- New lead generation
- Target marketing
- Relationship building
- Closing

## **RIVIERA, INC. DBA THE ENTERPRISE U**

### Menu Curriculum (continued)

#### Class Lab Hours

24 - 40      Trainees will receive any of the following:

### **BUSINESS SKILLS** (continued)

#### Business Performance

- Business plans
- Marketing plans
- Financial plans
- Product knowledge

#### Project Management

- Strategic planning
- Project resources
- Assembling a project team
- Executing project steps

### **COMPUTER SKILLS**

#### Desktop Applications

- Office productivity applications – intermediate, advanced, & new features (PowerPoint, Access, Project)
- Computer Graphics
- Operating Systems
  - Computing architecture
  - Administration and configuration
  - Distributed systems
- Project applications
  - Project software best practices
  - Building a project plan
  - Managing tasks and resources
  - Creating budgets and planning costs
  - Viewing and reporting projects
  - Tracking and managing projects
- Macros (PowerPoint, Access, Project)
- Visual Basic for Applications
- Sharing information between applications

#### Desktop Applications (FOR SMALL BUSINESSES ONLY)

- Office productivity applications – intermediate & advanced (Word, Excel, Outlook)



**RIVIERA, INC. DBA THE ENTERPRISE U**

Menu Curriculum (continued)

Class Lab Hours

24 - 40      Trainees will receive any of the following:

**COMPUTER SKILLS** (continued)

Networking & Internet

- Introduction to networking
- Network configurations & protocols
- Data networks
- Transmission Control Protocol/Internet Protocol (TCP/IP)
- Web design

Databases

- Fundamentals of databases
- Database design
- SQL
- Managing and maintaining databases
- Data normalization
- Creating reports for data analysis
- Data security and proofing
- Using Visual Basic

Accounting

- Accounting theory
- Accounting applications
- Accounting practices

PC Troubleshooting, Maintenance, and Repair

- Electronics theory
- Devices
- Diagnosing problems
- Maintaining your equipment and finding service

Computer-Aided Design/Computer-Aided Manufacturing (CAD/CAM)  
and Graphics Design

- Graphics basics
- Software and hardware applications
- Animation

**RIVIERA, INC. DBA THE ENTERPRISE U**

Menu Curriculum (continued)

Class Lab Hours

24 - 40      Trainees will receive any of the following:

**CONTINUOUS IMPROVEMENT**

Team Building

- Why teamwork is important
- Strategies for building an effective team
- Leadership skills
- Being an effective team member

Improving Process Performance

- Levels of performance
- Performance management
- Change management
- Process management
- Total quality management
- Process mapping
- Quality assurance

<p><u>Comment:</u> The parties agree that the training identified in this Curriculum may be revised from time-to-time during the term of this Agreement at the request of Contractor and with the prior written approval of ETP. (See also Section 12 in this Agreement.)</p>
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**Participating Employers in Retrainee  
Multiple Employer Contractor (MEC) Agreements  
(ETP 100B)**

Contractor's Name: RIVIERA, INC. DBA THE ENTERPRISE U

CCG No.: ET07-0166

Reference No: 07-0059

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PRINT OR TYPE

Company: IHOP

Address: 450 N. Brand Blvd

City, State, Zip: Glendale, CA 91203

Contact Person/Title: Nilda Alsaybar, Training & Development Specialist

Telephone No.: 818-240-6055

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 400

Total # of full-time company employees in California: 400

Estimated # of employees to be retrained or hired under this Agreement: 100

Company: Med Billing Corporation

Address: PO Box 2488

City, State, Zip: El Segundo, CA 90245

Contact Person/Title: Mark Pavlakovich, Vice President

Telephone No.: 866-633-2564

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 50

Total # of full-time company employees in California: 50

Estimated # of employees to be retrained or hired under this Agreement: 45

Company: Midway Home Entertainment

Address: 10110 Mesa Rim Rd

City, State, Zip: San Diego, CA 92121

Contact Person/Title: Denise Gyberg, Human Resources

Telephone No.: 858-658-9500

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 500

Total # of full-time company employees in California: 150

Estimated # of employees to be retrained or hired under this Agreement: 50

**Participating Employers in Retrainee  
Multiple Employer Contractor (MEC) Agreements  
(ETP 100B)**

Contractor's Name: RIVIERA, INC. DBA THE ENTERPRISE U

CCG No.: ET07-0166

Reference No: 07-0059

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PRINT OR TYPE

Company: THQ

Address: 29903 Agoura Rd

City, State, Zip: Agoura Hills, CA 91301

Contact Person/Title: Kris Graves, Human Resources Manager

Telephone No.: 818-871-5000

Collective Bargaining Agreement(s): None

Total # of full-time company employees worldwide: 750

Total # of full-time company employees in California: 300

Estimated # of employees to be retrained or hired under this Agreement: 100